

**MINUTES OF MEETING
BOARD OF DIRECTORS
SPECIAL MEETING
THE WOODLANDS TOWNSHIP
MAY 19, 2010**

THE STATE OF TEXAS §

COUNTIES OF HARRIS & MONTGOMERY §

The Board of Directors of The Woodlands Township met in special session, open to the public, on May 19, 2010, posted to begin at 9:00 a.m. The meeting was held in the Meeting Room at the Township's Office, 10001 Woodloch Forest Dr., Suite 600, The Woodlands, Texas, within the boundaries of the Township. The roll was called of the duly elected and appointed members of the Board of Directors, to wit:

Nelda Luce Blair	Chairman
Lloyd W. Matthews	Vice-Chairman
Bruce Tough	Vice-Chairman
Vicki D. Richmond	Treasurer/Assistant Secretary
Alex Sutton III	Secretary
Thomas Campbell	Director
Kemba DeGroot	Director
Peggy S. Hausman	Director
Claude Hunter	Director
Robert C. Kinnear	Director
Edmund W. Robb III	Director

with all of said persons being present, excluding Director DeGroot, thus constituting a quorum. Also present for conducting business and assisting Board members were Don

Norrell, Monique Sharp, John Powers, Susan Welbes, Karen Dempsey, Captain Eason, Nick Wolda, Mike Page, Renee Williford, Kim Cogburn, and Taunya Jacques.

Chairman Blair then called the meeting to order at 9:00 a.m. She announced that a quorum was present and that sufficient notice of this meeting had been duly posted as required by law.

Chairman Blair then requested a motion to adopt the special agenda. Director Robb moved to adopt the agenda. The motion was seconded by Vice-Chairman Tough and passed unanimously.

Next, Chairman Blair recognized public officials attending the meeting. Kenn Fawn, Montgomery County Hospital District Director, was recognized by the Chair. A copy of the Public Official's Sign in Sheet is attached hereto as Exhibit "A".

The Chair then asked the Board to recognize state/national accomplishments by high school students in The Woodlands. The Woodlands High School's Boys Swimming and Diving Teams were recognized along with 2010 University Interscholastic League Class 5A State Champions from The Woodlands College Park High School. No action was needed on this item.

Chairman Blair then called on names from the Public Comment Roster. The following individuals addressed the Board:

- John Nanninga-Covenant matter
- Kenn Fawn-Montgomery County Hospital District
- Don Gemmell-Sports Fields

- John Rizzuti-Sports Fields
- Ron Bova-Complaint about loud noise

A copy of the Public Comment Roster is attached hereto as Exhibit "B".

Next, Chairman Blair asked the Board to receive and consider the Law Enforcement Report from Captain Eason with the Montgomery County Sheriff's Office. Captain Eason reported on the ongoing recruitment efforts and informed the Board that Corporal Paul Cassidy was welcomed to District 6. An update on the bike path patrol was made as well as a review of District 6 statistics. No action was needed on this item.

The Board was then asked to receive and consider reports from Village Association representatives. The following reports were presented:

- **Steve Leakey-Alden Bridge Village Association** reported that Sergeant Jenkins gave a law enforcement report at the last meeting; three scholarships were awarded to high school students; Gil Staley, Economic Development Partnership, was the guest speaker; recognized Flea Market volunteers, noted that Directors Campbell and Hunter attended the meeting; by-laws are nearly complete
- **Everett Ison-Panther Creek Village Association** announced that June 12 is the Annual Picnic/Flag Recognition Day from 10:00 a.m.-2:00 p.m. at Ridgewood Park; Flea Market went well; requested Board support regarding signage at Woodrush/Interfaith Way; reported a delay in receiving the community magazine; mentioned the 4th of July Parade
- **Phillip Givens-Sterling Ridge Village Association** reported that checks will be sent to Coulson Tough and Deretchin Elementary PTOs; initiated Yard of the Month program and continuing Meet and Greet program; promoting 2978 Woodlands Parkway Merchants' Awareness Day; promoting vacation watch and working to minimize false alarms through e-newsletter communication
- **Bruce Cunningham-Grogan's Mill Village Association** reported that the Tamarac dog park officially opened on May 2; Farmers' Market is doing very

well with thirty (30) vendors; reported receiving resident complaints regarding services and advised the complainants address issues with the Board

- **Brian Duelm-Cochran's Crossing Village Association** extended congratulations to the newly elected Board members; announced two scholarship recipients from The Woodlands High School; asked that the Board delay a decision on homestead exemption so that residents could give input

The Village Association Representatives' Sign-In Sheet is attached hereto as Exhibit "C".

Next, Chairman Blair asked the Board to consider and act upon approval of the minutes of the April 28, 2010 regular meeting of the Board of Directors of The Woodlands Township. Director Hunter moved to approve the minutes with a change that shows the Chair overruled Director Hunter's request to jointly consider a tax exemption for individuals age sixty-five (65) and over or disabled and a homestead exemption. The motion was seconded by Director Campbell and passed unanimously. A copy of the April 28, 2010 minutes with the correction is attached hereto as Exhibit "D".

The Board was then asked to receive and act upon the Financial Report. The Chair called on Monique Sharp, Assistant General Manager of Finance & Administration for The Woodlands Township, to present this item. The Board was provided handout material containing the General Purpose Financial Statements as of and for the four months ending April 30, 2010. After a review of the Combined Financial Statements and Monthly Investment Report, a report on the General Fund Budget vs. Actual was presented. Ms. Sharp then reported on the Township's sales tax collections, hotel occupancy tax collections, and property tax collections. Following Ms. Sharp's

presentation and discussion, Director Hunter moved to accept the Financial Report. The motion was seconded by Treasurer Richmond and passed unanimously. A copy of the Financial Report as of and for the four months ended April 30, 2010 is attached hereto as Exhibit "E".

The Board was then asked to receive and consider an award from the Government Finance Officers Association for Excellence in Financial Reporting. Chairman Blair made the presentation and then congratulated the Audit Committee and Township staff for receiving this honor. No action was needed on this item.

Next, Chairman Blair asked the Board to consider an update from the Projects Planning and Development Committee regarding sports fields needs in the community. The Chair called on John Powers, Assistant General Manager of Community Services for The Woodlands Township, to present this item. Mr. Powers provided background information on this subject. Following Mr. Powers' presentation, Director Matthews, Chair of the Project Planning and Development Committee, was called on to provide additional comments on the need for additional sports fields in the community. Discussion followed. As this item was for information sharing only, no action was needed. A copy of the Executive Summary is attached hereto as Exhibit "F".

The Board then was asked to consider and act upon a Use, Operation and Maintenance Agreement with Municipal Utility District 67 for the expansion of Alden Bridge Sports Park. John Powers was called on to present this item. Mr. Powers referred

the Board to the Executive Summary in their meeting book and then provided background information on this item. Following Mr. Powers' presentation, Director Robb moved to approve the Use, Operation and Maintenance Agreement with Municipal Utility District 67 for the expansion of Alden Bridge Sports Park with the understanding that Exhibit "A" of the agreement may be modified to address the actual acreage that The Woodlands Land Development Company is proposing to donate. The motion was seconded by Vice-Chairman Tough. Discussion followed. After a vote, the motion passed unanimously. A copy of the Executive Summary is attached hereto as Exhibit "G".

Chairman Blair then asked the Board to consider and act upon a banking and depository services contract and authorize the President/General Manager to execute all agreements in connection therewith. The Chair informed the Board that this item would be deferred until the May 26, 2010 Board meeting as the consultant who helped with the evaluation process was unavailable to attend the meeting today.

The Board then was asked to consider and act upon an agreement with Brazos Transit District for trolley service in The Woodlands Township. Chairman Blair called on Don Norrell, President/General Manager for The Woodlands Township, to present this item. Mr. Norrell provided background on this item and then Director Kinnear moved to authorize the President/General Manager to execute an agreement with Brazos Transit District for trolley service. The motion was seconded by Secretary Sutton. Discussion

followed. The motion passed with Directors Blair, Hunter, Kinnear, Matthews, Richmond, Robb, Sutton, and Tough voting "yes". Directors Campbell and Hausman voted "no". A copy of the Executive Summary is attached hereto as Exhibit "H".

Next, the Board was asked to consider and act upon award of bid for electrical services. John Powers presented this item. Following Mr. Powers' presentation, Director Hunter moved to award the bid to Miam Electric to provide electrician services to The Woodlands Township for a term of thirty-six months. The motion was seconded by Director Kinnear. Discussion followed and the motion passed unanimously. A copy of the Executive Summary is attached hereto as Exhibit "I".

Board members were then asked to consider and act upon award of bid for lake and pond management services. John Powers presented background information on this item. Following Mr. Powers' comments, Director Robb moved to award the bid to Lake Pro to provide lake and pond management services to The Woodlands Township for a term of thirty-six months. Vice-Chairman Matthews seconded the motion and it passed unanimously. A copy of the Executive Summary is attached hereto as Exhibit "J".

Chairman Blair then asked the Board to consider and act upon conveyance of Tupelo Park from The Woodlands Development Company to The Woodlands Township. John Powers referred the Board to the Executive Summary in the meeting book and briefly discussed the item. Following Mr. Powers' presentation, Director Robb moved to accept the conveyance by Special Warranty Deed from The Woodlands Land

Development Company L.P. of Restricted Reserve "A" out of The Woodlands, Village of Creekside Park Section 11, also known as Tupelo Park. Director Hunter seconded the motion. Following discussion, the motion passed with Directors Blair, Campbell, Hausman, Hunter, Kinnear, Matthews, Richmond, Robb, and Tough voting "yes"; Director Sutton abstained. Mr. Powers announced that the grand opening for Tupelo Park will take place on June 12, 2010. A copy of the Executive Summary is attached hereto as Exhibit "K".

Next, the Board was asked to consider and act upon approval of contract additions for Tupelo Park with Houston Grotech Services and Gracey's Commercial Cleaning. John Powers presented this item. Following background information, Vice-Chairman Matthews moved to approve the additions to the Park and Pathway Maintenance Agreement with Houston Grotech Services and to the Gate and Custodial Maintenance Agreement with Gracey's Commercial Cleaning Service for Tupelo Park. Director Hausman seconded the motion. Following discussion, the motion passed unanimously. **Director Tough was not present during the vote.** A copy of the Executive Summary is attached hereto as Exhibit "L".

Chairman Blair then asked the Board to consider and act upon adoption of Resolution 008-10 establishing The Woodlands Township's participation in the Texas Comptroller of Public Accounts Cooperative Purchasing Program and authorizing the President/General Manager and Assistant General Manager of Finance & Administration

to execute all related program documents. Monique Sharp made the presentation. Following review of this item, Treasurer Richmond moved to approve The Woodlands Township's participation in the Texas Comptroller of Public Accounts Cooperative Purchasing Program and adopt Resolution 008-10 in connection therewith. Director Hunter seconded the motion. Discussion followed. The motion passed unanimously.

Directors Sutton and Tough were not present during the vote. A copy of the Executive Summary is attached hereto as Exhibit "M". Resolution 008-10 is attached hereto as Exhibit "N".

Board members next were asked to consider and act upon adoption of Resolution 009-10 authorizing the President/General Manager to execute an Interlocal Participation Agreement with BuyBoard, a local government purchasing cooperative, and establishing The Woodlands Township as a cooperative member. The Chair called on Monique Sharp to make the presentation. Ms. Sharp referred the Board to the Executive Summary in their meeting book and then briefly discussed this item. Following Ms. Sharp's presentation, Director Hunter moved to approve The Woodlands Township's participation in the local government purchasing cooperative and the Resolution and Interlocal Participation Agreement in connection therewith. Treasurer Richmond seconded the motion. Discussion followed. The motion passed unanimously. A copy of the Executive Summary is attached hereto as Exhibit "O". Resolution 009-10 is attached hereto as Exhibit "P".

Next, the Chair asked the Board to consider and act upon adopting a resolution establishing residential homestead exemption(s) from ad valorem taxation by The Woodlands Township. Don Norrell provided an overview of the financial impact of granting a homestead exemption. Following Mr. Norrell's presentation, Monique Sharp made a PowerPoint presentation on the financial impact on the five-year plan with an optional homestead exemption. In summary, for 2011 the financial impact on total property tax revenue showed a reduction in revenue of \$771,000 if a 3% homestead exemption was granted and property tax rates remained at 32.8 cents per \$100 of valuation; a reduction of \$1,258,500 in revenue would be felt if a 5% homestead exemption was granted. Ms. Sharp then informed the Board that staff recommends that this matter be taken under advisement and considered over the next few months as the Board conducts strategic planning, develops the 2011 budget, holds budget hearings, and updates the five-year business plan. Following Ms. Sharp's presentation, Director Hunter moved to defer making a decision on this item until after the budget process. Vice-Chairman Matthews seconded the motion. Discussion followed and then a vote was taken. The motion passed with Directors Blair, Hunter, Kinnear, Matthews, Richmond, Robb, Sutton, and Tough voting "yes" and Directors Campbell and Hausman voting "no". A copy of the Executive Summary is attached hereto as Exhibit "Q". The PowerPoint presentation is attached hereto as Exhibit "R".

Chairman Blair then asked the Board to consider and act upon a report from staff regarding the Bicycle Friendly Community Designation application process. John Powers reviewed information on this subject. Following Mr. Powers' presentation, Director Robb moved to allow staff to develop the Bicycle Friendly Community Application and Bicycle Friendly Action Plan and return with a report to the Board in January 2011. Vice-Chairman Tough seconded the motion. Discussion followed. The motion passed unanimously. A copy of the Executive Summary is attached hereto as Exhibit "S".

Next, the Chair called on Karen Dempsey, Management Analyst for The Woodlands Township, to discuss the Board Officer election process that will occur at the May 26, 2010 Board of Directors' meeting. Ms. Dempsey encouraged Directors who will serve on the new Board to submit officer nominations to the President/General Manager's office. Nominations should be submitted to Karen Dempsey at 281-210-3808 or kdempsey@thewoodlandstownship-tx.gov no later than 5:00 p.m. on Tuesday, May 25, 2010 for inclusion on the pre-printed written ballot that will be distributed at the officer election meeting. Following Ms. Dempsey's presentation, Chairman Blair requested that retiring Directors be present for the May 26th Board of Director's meeting. This item was for information sharing only. No action was needed on this item. A copy of the Executive Summary is attached hereto as Exhibit "T".

The Board was then asked to discuss matters relating to distribution of materials and information to Board members. Chairman Blair led the discussion regarding Directors forwarding emails to the President/General Manager. Director Sutton commented on the appropriateness of sending emails that impact the operations or liabilities of the Township versus forwarding emails to the President/General Manager that express public opinion. Director Campbell suggested that a Committee be formed to review all of the Township's policies. The Chair ended the discussion by encouraging Board members to place items for consideration on future agendas. No action was needed on this item.

The Board then recessed to Executive Session at 11:07 a.m. to discuss matters relating to real property pursuant to §551.072, Texas Government Code; deliberation of economic development negotiations pursuant to §551.087, Texas Government Code; discuss personnel matters pursuant to §551.074, Texas Government Code; and to consult with The Woodlands Township's attorney concerning pending litigation pursuant to §551.071, Texas Government Code.

The Board reconvened in Public Session at 11:35 a.m. Chairman Blair announced that it would be necessary to take action at this time on a matter discussed in Executive Session. The Board was then asked to consider and act upon submitting an application for an H1B Visa for an employee of The Woodlands Township and approve costs not to exceed \$2,000 for this application process. Vice-Chairman Tough moved to take the

recommended action as stated. Director Kinnear seconded the motion. No discussion followed. The motion passed unanimously.

Next, Chairman Blair called for the following Administrative Reports:

- **Community Service Report given by John Powers:**
 1. Advertising for candidates to the Design Standards Committee (DSC); deadline for submissions is June 19
 2. June 19, 2010-Community Involvement Day in Panther Creek, Shadow-creek and Woodstock neighborhoods
 3. June 12, 2010-Tupelo Park opening
 4. Pools are open for pre-season May 8-31, 2010
 5. Staff will be doing an evaluation and will prepare a report on the impact of new rules for public interactive water features such as ground sprays and water fountains
 6. Ongoing construction projects around Town Center
 7. One proposal received for fixed vendors at 12 locations around Town Green Park, Northshore Park and Waterway Square
 8. Township offices will be closed for Memorial Day; pools and Riva Row Boat House will be open
- **The Woodlands Fire Department Report-no report**
- **The Woodlands CVB Report given by Nick Wolda:**
 1. Movie Night Series is taking place
 2. Preparing for Red, Hot & Blue Festival; 4th of July Parade will be held on Saturday, July 3, 2010
 3. Jimmy Buffet concert with tailgating party mentioned
 4. Editorial on The Woodlands will be published in the Continental Magazine
 5. CVB produced a tourism information brochure
 6. Wine & Food Week will take place June 14-20, 2010

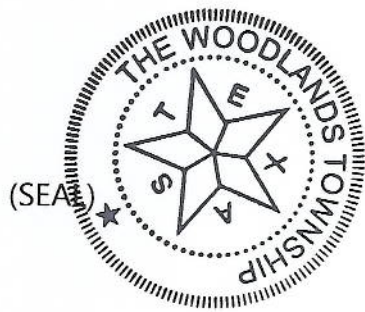
The Board then moved to the Supplemental Agenda to consider and act upon canvassing the returns and declaring the results of the Directors' Election held within the Township on May 8, 2010, and the adoption of an Order in connection therewith. Chairman Blair called on Mike Page, legal counsel for The Woodlands Township, to

review this item. Following Mr. Page's comments, Director Kinnear moved to canvass the returns and declare the results of the Directors Election held within the Township on May 8, 2010, and adopt an Order in connection therewith. Vice-Chairman Sutton seconded the motion. Discussion followed with Director Hunter noting that the newly elected Directors' positions were not listed on the certified returns for Harris County. Director Hunter requested that this information be included on the form. A vote was then taken and the motion passed unanimously. The Order Canvassing Returns and Declaring Results of Directors Election is attached hereto as Exhibit "U". Certified copies of the final results of The Woodlands Township Election held in Montgomery County and Harris County, Texas on May 8, 2010 are attached hereto as Exhibit "V".

Next, the Chair returned to the regular meeting agenda. The Board was asked to consider items to be placed on the agenda for the next meeting. Director Campbell asked that the Board discuss the Thursday Board workshop meeting schedule at the June meeting. Director Hausman requested an update on the RUD election and its impact on the Township.

The Chair then asked for Board announcements. No announcements were made.

As there were no further matters to come before the Board, Director Robb moved to adjourn. Treasurer Richmond seconded the motion and it passed unanimously. The meeting was adjourned at 11:50 a.m.



A handwritten signature in cursive script, appearing to read 'Claude Hunter', written over a horizontal line.

Claude Hunter
Secretary, Board of Directors

EXHIBIT OMISSIONS*

EXHIBIT "A"	EXHIBIT "L"
EXHIBIT "B"	EXHIBIT "M"
EXHIBIT "C"	EXHIBIT "N"
EXHIBIT "D"	EXHIBIT "O"
EXHIBIT "E"	EXHIBIT "P"
EXHIBIT "F"	EXHIBIT "Q"
EXHIBIT "G"	EXHIBIT "R"
EXHIBIT "H"	EXHIBIT "S"
EXHIBIT "I"	EXHIBIT "T"
EXHIBIT "J"	EXHIBIT "U"
EXHIBIT "K"	EXHIBIT "V"

***To view Exhibits, please contact the Records Management Analyst at 281-210-3800.**